

ARIZONA TOURISM INDICATORS

A QUARTERLY NEWSLETTER OF RESEARCH AND STRATEGIC PLANNING

3RD QTR
2008



ARIZONA TOURISM INDICATORS

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AAA SEES DECLINE IN HOLIDAY TRAVEL THIS SEASON

AAA projects a slight decline in the number of Americans traveling during the Christmas holiday period. Nearly 63.9 million Americans will travel 50 miles or more from home during the Christmas holiday travel period, a decrease of 1.4 million travelers (2.1 percent) from last year's total of 65.3 million. This is the first decline in Christmas holiday travelers since 2002. AAA projected year-to-year decreases in the number of travelers for all five of the major travel holidays this year (Memorial Day, Fourth of July, Labor Day, Thanksgiving and Christmas).

"Without question, the economic downturn of 2008 eroded the

discretionary income many Americans would have spent on travel and, for some, altered their travel plans throughout the year," said AAA President and CEO Robert L. Darbelnet. "However, those traveling this holiday season can take advantage of declining hotel rates and fuel prices more than a dollar per gallon less than a year ago."

More than 52.4 million Americans (82 percent of all holiday travelers) intend to travel by automobile, a 1.2 percent decrease from the 53 million people who drove last year. Motorists across the country, on average, can expect to see gasoline prices about \$1.30 per gallon less

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Southwest tops in value and reputation, study says

When it comes to perceived value and positive buzz, Southwest squashes its U.S. airline competitors, according to brand rankings by YouGovPolimetrix.

The research firm's BrandIndex, a ranking based on consumer feedback, ranked Southwest first among domestic airlines in value perception with a score of 40. JetBlue was second at 16.9.

In the "buzz" rankings, Southwest and JetBlue also led the way with scores of 30.6 and 8.9, respectively. Eleven U.S. airlines were ranked.

For the value score, respondents were asked, "Do you receive good value for what you pay?" For the buzz score, respondents were asked, "If you've heard anything about these brands in the last two weeks, was it positive or negative?"

A score can range from 100 to -100 and is compiled by subtracting negative feedback from positive. A zero score means equal positive and negative feedback. United (-7.2) and American (-5.0) were at the bottom of the value rankings. US Airways (-3.7) and American (-3.2) were last in buzz.

For international airlines, Virgin America (5.4) was tops in perceived value, followed by

Lufthansa (2.6) and British Airways (2.5). Virgin Atlantic (4.8) and British Airways (4.5) were tops in buzz among international carriers. Aeromexico (-6.6) was the lowest in perceived value of the 13 international airlines ranked. Air France (-2.6) and Alitalia (-2.3) were at the bottom in buzz.

YouGovPolimetrix also ranked luxury and non-luxury hotels according to the same parameters. In the value category for luxury, Hyatt finished first out of nine brands with a score of 13.4. W Hotels (-0.1) was last.

Hilton (11.2) was first in buzz; Omni was last (0.9). Among the 18 non-luxury hotel brands ranked, Courtyard by Marriott finished first at 27.8, closely followed by Marriott (27.4) and Comfort Inn (27.2). Motel 6 (-3.9) and Super 8 (-2.9) were at the bottom.

In the buzz ranking for non-luxury hotels, Holiday Inn was tops at 18.7, followed by Marriott (18.5). Motel 6 (-2.6) and Econo Lodge (-2.4) were at the bottom.

YouGovPolimetrix composed the rankings after surveying 5,000 U.S. consumers on Dec. 8.

Source: Travel Weekly Newsletter (12/16/2008)

AAA SEES DECLINE IN HOLIDAY TRAVEL THIS SEASON (CONTINUED)

than last year and 50 cents less than a month ago.

Approximately 8.1 million (13 percent of holiday travelers) expect to travel by airplane, an 8.5 percent decline from the 8.9 million travelers who flew last year. More than 3.33 million Americans plan to travel by train, bus or other mode of transportation. That is an increase of 0.7 percent from a year ago.

According to AAA's Leisure Travel Index (LTI), which is based on available rates this holiday, Americans can expect lower hotel rates and higher car rental rates throughout the holiday season. However, travelers should expect different trends in airfares depending upon the week of travel.

For Americans traveling during the week of Christmas, rates for AAA Three Diamond hotels are down an average of three percent compared to last year. On average, travelers renting a vehicle during the week of Christmas will pay two percent more than a year ago for the same period. Air passengers, however, can expect some relief in airfares this Christmas with prices nine percent less than last year.

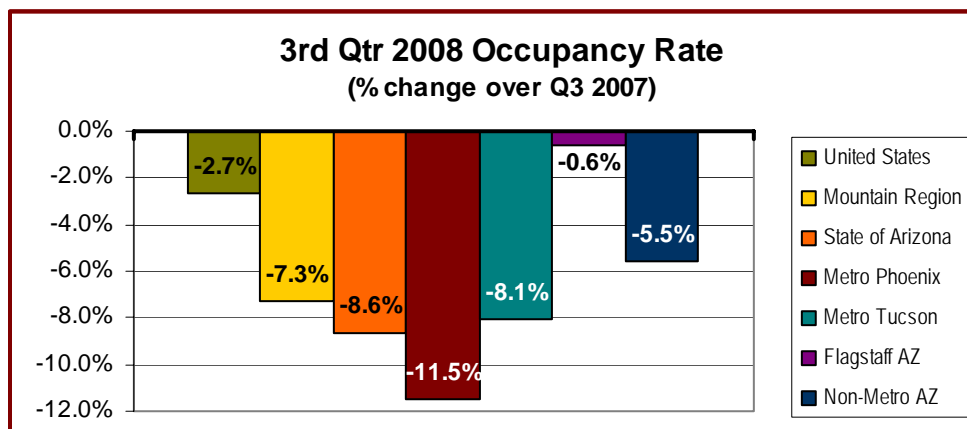
Those planning to travel the week of New Year's will welcome a significant decline in hotel costs with rates for AAA Three Diamond hotels 16 percent less than a year ago. Car rentals rates are eight percent higher than last year for the same period. Americans traveling by air

will pay an average of three percent more for airfares than a year ago.

Car rental rates vary from location to location, so some cities in AAA's LTI show significant increases when compared to last year, while others show significant decreases. AAA's index for car rentals is based on the average lowest intermediate size car daily rate in 20 U.S. airport locations. The rates do not include sales tax, insurance and other miscellaneous charges.

Source: TravelMole (December 18, 2008)

LODGING PERFORMANCE



Source: Smith Travel Research

NATIONAL

The lodging sector nationally saw a small increase of 0.1% in demand as well as a 2.8% increase in supply during the third quarter compared to the same quarter in 2007, according to Smith Travel Research. The increase in Average Daily Rate (ADR) countered the decrease in occupancy (-2.7%) resulting in a flattening of Revenue per Available Room (RevPAR) during the

third quarter. ADR grew 2.7% to a rate of \$106.92. RevPAR was 0.0%, remaining at a similar rate of \$70.40 compared to Q3 2007.

MOUNTAIN REGION

The Mountain Region, as defined by the US Census Bureau, witnessed a decrease in occupancy of -7.3%, down to 66.9%, in the third quarter over the same period in 2007. Occupancy was

the primary driver to the decrease in RevPAR during the third quarter. ADR grew 2.3% to a rate of \$99.64. RevPAR decreased -5.1% to a rate of \$66.66 compared to Q3 2007.

ARIZONA

Arizona's lodging occupancy during the third quarter decreased, down -8.6% to a rate of 57.1%. Demand for lodging in the state also decreased, -4.7% during the quarter, equivalent to 269,724 fewer rooms. ADR increased 2.7% to a rate of \$89.03. The decrease in Occupancy drove RevPAR down -6.2% to \$50.81 for the state during the third quarter.

METRO PHOENIX

Metro Phoenix's average occupancy rate during the third quarter was down -11.5% over last year with an average rate of 51.0%. Demand for lodging in the Metro Phoenix area decreased -7.1%, which is approximately 196,309 fewer rooms. The average ADR for

LODGING PERFORMANCE

(Continued from page 2)

Metro Phoenix during the third quarter was \$91.79, an increase of 2.0% over Q3 2007. The decrease in occupancy drove the decrease in RevPAR, which was \$46.79, a decrease of -9.7% during the quarter.

METRO TUCSON

Metro Tucson's average occupancy rate decreased -8.1% to a rate of 55.2% during the third quarter. Demand for Metro Tucson decreased -5.3%, equivalent to 43,746 fewer rooms. The average daily rate for Metro Tucson during the third quarter was \$81.29, an increase of 1.6% over Q3 2007. The decrease in occupancy, coupled with modest increase in ADR, resulted in a decrease in RevPAR, which was \$44.89, a decrease of -6.6% during the quarter.

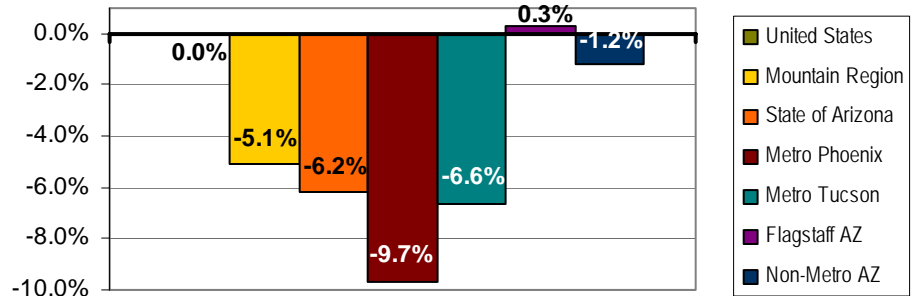
FLAGSTAFF, AZ

Flagstaff's average occupancy rate was relatively flat at -0.6% at a rate of 77.2% during the third quarter. Demand for Flagstaff increased 3.2%, equivalent to 11,019 more rooms. The average daily rate for Flagstaff during the third quarter was \$85.54, almost equal to Q3 2007. The flattening of both occupancy and ADR result in virtually no change in RevPAR, which was \$66.07, an increase of 0.3% during the quarter.

NON-METRO ARIZONA

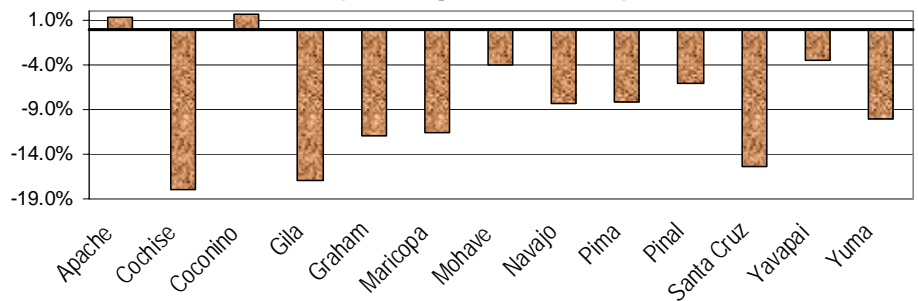
Non-Metro Arizona's lodging occupancy during the third quarter decreased, down -5.5% to a rate of 68.0%. Demand for lodging in Non-Metro Arizona decreased slightly, down -1.42% during the quarter, equivalent to 28,351 fewer rooms. ADR increased 4.6% to a rate of \$89.66. The decrease in occupancy

3rd Qtr 2008 Revenue Per Available Room
(% change over Q3 2007)



Source: Smith Travel Research

3rd Qtr County Occupancy Rate
(% change over Q3 2007)



Source: Smith Travel Research

drove RevPAR down slightly -1.2% to \$60.94 for Non-Metro Arizona during the third quarter.

COUNTY

Lodging indicators for Arizona's counties left much to be desired during the third quarter. Let's take a closer look at a few counties: Apache, Coconino, Gila, and Mohave.

Lodging in Apache County witnessed a slight increase in occupancy during the quarter, up 1.2% to a rate of 69.2%. This increase was due to an increase in rooms demanded at 3.4% which accounts for 778 more rooms. Both increased occupancy and increased ADR (up 10.6%) contributed

to an increase in RevPAR for the county. Apache County's average RevPAR rate during the third quarter was \$59.50, an increase of 12.1%.

Coconino County experienced growth in all lodging segments during the third quarter compared to Q3 2007, the only county to do so this quarter. Room demand was up 3.4% during the period, which accounts for an increase of 28,028 rooms. Increases in both occupancy and ADR contributed to an increase in RevPAR for the county. The average RevPAR rate was \$81.71, up 6.9% compared to the same period last year.

In Gila County, occupancy decreased

(Continued on page 5)

LODGING PERFORMANCE

LODGING PERFORMANCE 3RD QUARTER 2008

Market	Occupancy		ADR (\$)		RevPAR (\$)		Demand		Supply	
	2008	% Change	2008	% Change	2008	% Change	2008	% Change	2008	% Change
United States	65.8%	-2.7%	106.92	2.7%	70.40	0.0%	280,696,519	0.1%	426,277,167	2.8%
Mountain Region	66.9%	-7.3%	99.64	2.3%	66.66	-5.1%	33,832,821	-4.1%	50,569,334	3.4%
Arizona	57.1%	-8.6%	89.03	2.7%	50.81	-6.2%	5,449,363	-4.7%	9,547,893	4.3%
Metro Phoenix	51.0%	-11.5%	91.79	2.0%	46.79	-9.7%	2,576,581	-7.1%	5,054,630	4.9%
Metro Tucson	55.2%	-8.1%	81.29	1.6%	44.89	-6.6%	786,820	-5.3%	1,424,689	3.0%
Flagstaff Arizona	77.2%	-0.6%	85.54	0.9%	66.07	0.3%	360,775	3.2%	467,084	3.8%
Non-Metro Arizona	68.0%	-5.5%	89.66	4.6%	60.94	-1.2%	1,962,472	-1.4%	2,887,150	4.4%

COUNTY LODGING PERFORMANCE 3RD QUARTER 2008

County	Occupancy		ADR (\$)		RevPAR (\$)		Demand		Supply	
	2008	% Change	2008	% Change	2008	% Change	2008	% Change	2008	% Change
Apache	69.2%	1.2%	85.99	10.6%	59.50	12.1%	63,151	3.4%	91,264	0.0%
Cochise	58.9%	-18.0%	67.56	8.9%	39.78	-10.7%	163,748	-9.3%	278,052	10.7%
Coconino	84.3%	1.7%	96.93	5.1%	81.71	6.9%	829,866	3.4%	984,460	1.8%
Gila	59.6%	-17.0%	73.50	-3.1%	43.81	-19.6%	62,194	-12.3%	104,328	5.7%
Graham	69.4%	-12.0%	78.05	6.7%	54.16	-6.1%	27,794	1.4%	40,052	15.5%
Greenlee	N/A	0.0%	N/A	0.0%	N/A	0.0%	N/A	0.0%	N/A	0.0%
La Paz	N/A	0.0%	N/A	0.0%	N/A	0.0%	N/A	0.0%	N/A	0.0%
Maricopa	50.9%	-11.7%	92.62	1.8%	47.15	-10.1%	2,500,645	-7.3%	4,912,306	5.0%
Mohave	57.3%	-4.1%	68.75	-4.1%	39.39	-7.9%	222,794	-4.6%	388,884	-0.5%
Navajo	66.5%	-8.3%	74.38	8.1%	49.45	-0.9%	203,050	-5.9%	305,418	2.6%
Pima	55.2%	-8.1%	81.29	1.5%	44.89	-6.7%	786,820	-5.3%	1,424,689	3.0%
Pinal	53.4%	-6.0%	64.43	1.3%	34.38	-4.7%	75,936	-0.2%	142,324	6.2%
Santa Cruz	57.9%	-15.3%	71.20	4.1%	41.23	-12.1%	51,084	-15.3%	88,228	0.0%
Yavapai	65.5%	-3.4%	120.18	0.0%	78.72	-2.0%	278,179	-2.1%	424,672	1.4%
Yuma	51.8%	-10.0%	74.34	2.6%	38.53	-7.5%	156,139	6.8%	301,208	18.6%

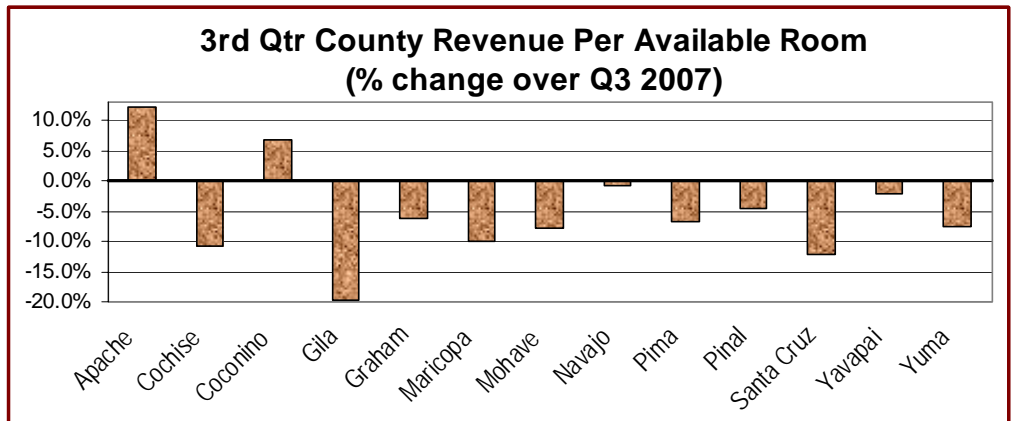
Source: Smith Travel Research

LODGING PERFORMANCE

Continued from page 3

-17.0%, to a rate of 59.6% during the third quarter. Decreased room demand, down -12.3%, or 8,733 fewer rooms, and an increased supply (up 5.7%) contributed to the decreased hotel occupancy rate. Gila County's ADR for the quarter was \$73.50, down -3.1%. The decreases in occupancy and ADR contributed to the decrease in the average RevPAR rate for the quarter, which was \$43.81, down -19.6% compared to Q3 2007.

Mohave County's occupancy rate decreased -4.1% to a rate of 57.3% during the third quarter. This was due to a flattening room supply (-0.5%) and declining room demand (-4.6%). The decreases in occupancy and ADR resulted in declining RevPAR for the county. The average RevPAR rate was



Source: Smith Travel Research

\$39.39, down -7.9% compared to Q3 2007. ADR was down -4.1% to \$68.75 for the quarter.

In addition, Navajo county witnessed a decline in occupancy for the first time in eighteen months. Counties that witnessed a decline in RevPAR for the quarter included Cochise, Gila,

Graham, Maricopa, Mohave, Navajo, Pima, Pinal, Santa Cruz, Yavapai, and Yuma counties.

Source: Smith Travel Research

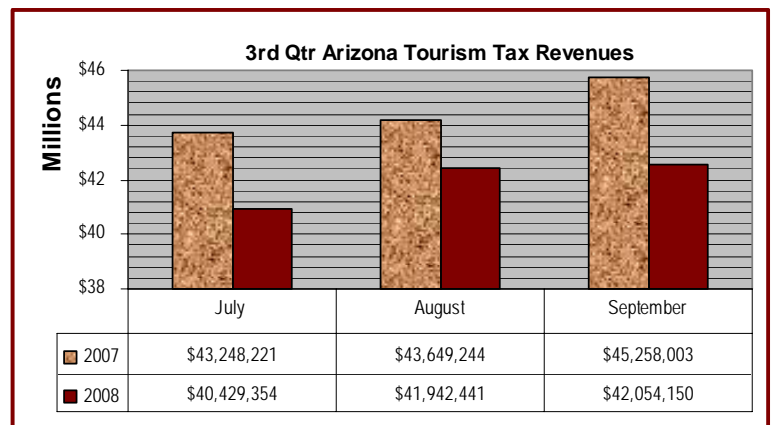
AZ TOURISM RELATED TAX

During the 3rd quarter of 2008, travelers generated tax revenue in the tourism sectors of lodging, restaurant/bar, retail, and amusements totaling approximately \$124.4 million, a -5.8% decrease over the same period last year. Visitor generated revenues were down in all sectors. During the 3rd quarter of 2008, the lodging sector decreased -2.1%, just shy of \$23.5 million dollars, the restaurant/bar sector decreased -4.2%, the retail sector was down -7.7%, while the amusement sector was down slightly at -0.3% compared to the same period last year. During the 3rd quarter of 2008, the most travel related tax revenues were generated in the month of September, but was also the month that performed most poorly, down -7.1%. The amusement sector was the only sector to have increases in the quarter. This sector showed positive increases in July and August, up 4.0% and 1.5% respectively.

Tourism sectors as defined by the Tourism Economic Impact Model (TEIM) developed by the Travel Industry Association of America, and adapted for Arizona by Northern Arizona University, include: lodging, restaurant/bar, retail, and amusements. TEIM model produced the following percentages, which are used to figure gross sales attributable to tourism: lodging (95%), restaurant/bar (23.62%), retail (10.91%), and amusements (6.43%). Source: Arizona Department of Revenue, NAU

AZ TOURISM RELATED TAX REVENUES 3RD QUARTER

Tourism Sectors	2007	2008	% Change
Lodging	\$23,983,062	\$23,491,007	-2.1%
Restaurant/Bar	\$29,583,818	\$28,329,042	-4.2%
Retail	\$77,739,256	\$71,759,388	-7.7%
Amusement	\$849,332	\$846,508	-0.3%
Quarterly Total	\$132,155,468	\$124,425,945	-5.8%



AZ STATE PARK VISITATION

Top Visited State Parks in Q3 were:

1. Slide Rock SP	113,168
2. Lake Havasu SP	97,177
3. Patagonia SP	55,067
4. Fool Hollow Lake SP	48,717
5. Tonto Natural Bridge SP	31,338

Visitation to Arizona's State Parks decreased -4.7% during the third quarter to 583,273 visitors. Declines in July and September, down -8.2% and -16.3% respectively, contributed to the quarterly decrease compared to the same period last year. The most improved park in the State Park System was Catalina State Park with a 25.3% increase in visitation.

NORTHERN In northern Arizona, Dead Horse Ranch had an increase of 21.3% in the third quarter and was also the second most visited park in the region. Another well visited park, Slide Rock, experienced an increase in visitation with a 6.4% increase to 113,168 visitors for the quarter. The region's visitation increased 5.5% compared to Q3 2007.

EASTERN Overall, the eastern region of the state had flat visitation, a slight increase of 0.8%. Fool Hollow Lake, the most visited park in the region, experienced a -1.7% decrease down to 48,717 visitors for the quarter. In contrast, Lost Dutchman visitation decreased -6.2% to 5,076 in the third quarter.

SOUTHERN Decreased visitation to Roper Lake and Kartchner Caverns, down -16.6% and -19.7% respectively, contributed to the decrease of -10.4% for the southern region. Patagonia Lake was the only park in the southern region to witness increased visitation in the third quarter, up 4.6% to 55,067 visitors.

WESTERN Overall, the western region of the state had a decrease of -14.8% in visitation. Lake Havasu, the most visited park in the region, experienced a -15.1% decline down to 97,177

AZ STATE PARKS MONTHLY VISITATION—3RD QUARTER

	2007	2008	% Change
July	250,499	229,999	-8.2%
August	178,616	200,300	12.1%
September	182,676	152,974	-16.3%
Quarterly Total	611,791	583,273	-4.7%

ARIZONA STATE PARKS VISITATION—3RD QUARTER

Park	2007	2008	% Change
W Alamo Lake SP	6,934	5,245	-24.4%
E Boyce Thompson Arboretum SP	4,218	4,424	4.9%
W Buckskin Mountain SP	20,484	19,871	-3.0%
E Catalina SP	12,049	15,103	25.3%
W Cattail Cove SP	33,521	25,363	-24.3%
N Dead Horse Ranch SP	25,798	31,281	21.3%
E Fool Hollow Lake RA	49,543	48,717	-1.7%
N Fort Verde SHP	3,783	3,877	2.5%
N Homolovi Ruins SP	4,820	4,825	0.1%
N Jerome SHP	15,141	15,392	1.7%
S Kartchner Caverns SP	28,009	22,488	-19.7%
W Lake Havasu SP	114,400	97,177	-15.1%
E Lost Dutchman SP	5,414	5,076	-6.2%
E Lyman Lake SP	20,747	19,577	-5.6%
E McFarland SHP	441	326	-26.1%
E Oracle SP	1,277	1,161	-9.1%
S Patagonia Lake SP	52,626	55,067	4.6%
S Picacho Peak SP	4,276	257	-94.0%
N Red Rock SP	18,707	16,843	-10.0%
N Riordan Mansion SHP	9,117	8,467	-7.1%
S Roper Lake SP	24,222	20,192	-16.6%
N Slide Rock SP	106,315	113,168	6.4%
S Tombstone Courthouse SHP	10,156	8,871	-12.7%
E Tonto Natural Bridge SP	31,066	31,338	0.9%
S Tubac Presidio SHP	1,471	1,335	-9.2%
W Yuma Quartermaster Depot SHP	635	739	16.4%
W Yuma Territorial Prison SHP	6,621	7,093	7.1%
Total	611,791	583,273	-4.7%

Source: Arizona State Parks

SP: State Park SHP: State Historic Park RA: Recreation Area
SNA: State Natural Area

*Regions as defined by Arizona State Parks

Northern Region (N); Eastern Region (E); Southern Region (S); Western Region (W)

visitors. Some of the decline can be attributed to a change in visitor counting methodology. In contrast, visitation to Yuma Quartermaster Depot and Yuma Territorial Prison increased 16.4% and 7.1% respectively in the third quarter.

AZ NATIONAL PARK VISITATION

Top Visited National Parks in Q3 were:

1. Grand Canyon NP	1,711,930
2. Glen Canyon NRA	709,732
3. Lake Mead NRA	538,132
4. Canyon de Chelly NM	289,633
5. Petrified Forest NP	204,044

ALL ARIZONA NATIONAL PARKS VISITATION

3RD QUARTER 2008

	2007	2008	% Change
July	1,581,237	1,532,318	-3.1%
August	1,487,642	1,489,206	0.1%
September	1,077,552	1,056,218	-2.0%
Quarter Total	4,146,431	4,077,742	-1.7%

ARIZONA NATIONAL PARKS VISITATION—3RD QUARTER

Park	2007	2008	% Change
Canyon de Chelly NM	277,158	289,633	4.5%
Casa Grande NM	8,885	8,284	-6.8%
Chiricahua NM	9,746	8,868	-9.0%
Coronado NM	16,509	20,674	25.2%
Fort Bowie NHS	1,547	1,495	-3.4%
Glen Canyon NRA	673,116	709,732	5.4%
Grand Canyon NP	1,609,348	1,711,930	6.4%
Hubbell Trading Post NHS	24,988	21,129	-15.4%
Lake Mead NRA	746,943	538,132	-28.0%
Montezuma Castle NM	152,942	160,494	4.9%
Navajo NM	26,968	29,024	7.6%
Organ Pipe Cactus NM	42,644	31,815	-25.4%
Petrified Forest NP	199,526	204,044	2.3%
Pipe Spring NM	13,555	13,968	3.0%
Saguaro NP	114,906	107,622	-6.3%
Sunset Crater Volcano NM	68,065	68,683	0.9%
Tonto NM	8,158	9,663	18.4%
Tumacacori NHP	4,104	4,428	7.9%
Tuzigoot NM	23,993	23,238	-3.1%
Walnut Canyon NM	39,068	29,411	-24.7%
Wupatki NM	84,262	85,475	1.4%
Total	4,146,431	4,077,742	-1.7%

Source: National Park Service

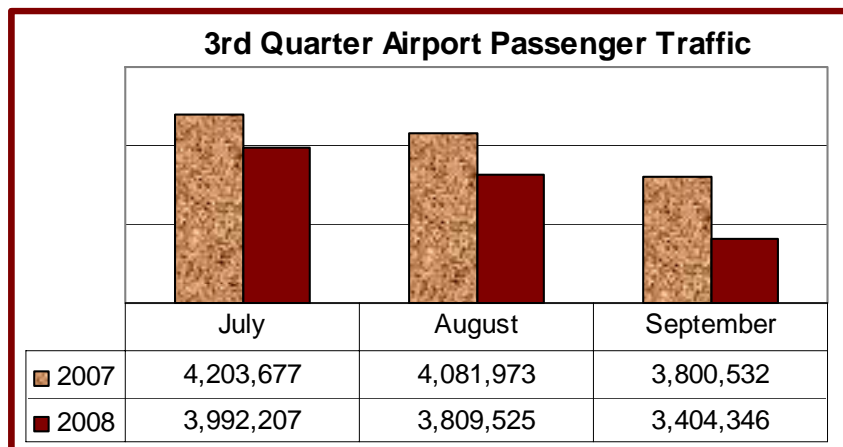
NP: National Park NM: National Monument NHS: National Historic Site
NRA: National Recreation Area NHP: National Historic Park

There was a decrease in recreational visitation to Arizona's National Parks during the 3rd quarter of 2008. Approximately 4 million people visited Arizona's National Parks, which is down -1.7% compared to the same period last year. August proved to be the best performing month with a flat visitation of 0.1%.

Of the 21 Arizona National Parks, over half saw an increase in visitation. The top performer was Coronado NM, up 25.2% to 20,674 visitors during the 3rd quarter. This was followed by Tonto NM, which welcomed 9,663 visitors, up 18.4%. Tumacacori NHP witnessed an increase of 7.9% to 4,428 visitors. Navajo NM outperformed last year's visitation by 7.6%, up to 29,024 visitors in the 3rd quarter. Grand Canyon National Park visitation improved with an increase of 6.4% to 1,711,930 for the quarter.

In contrast, Lake Mead NRA experienced the largest decline in visitation, down -28.0% to 538,132 visitors during the 3rd quarter. Visitation to Organ Pipe Cactus NM decreased -25.4% to 31,815 visitors for the quarter. Some of this decline can be attributed to nonfunctional traffic counters. Walnut Canyon NM visitation declined -24.7% to 29,411. Hubbell Trading Post NHS experienced a decline of -15.4% down to 21,129 visitors for the quarter.

ARIZONA AIRPORT PASSENGER TRAFFIC



Airport passenger traffic from the ten tracked Arizona airports was down -7.3% during the third quarter, an decrease of 880,104 passengers, ending a positive trend in passenger traffic that had continued since the first quarter of 2007. The highest volume of airport passenger traffic was recorded in the month of July, with approximately 4 million passengers, a decrease of -5.0% over the same month last year. August witnessed a decline of -6.7% in passenger traffic while June decreased -10.4%.

Phoenix Sky Harbor International posted a decrease, down -8.5% over the same period last year. In contrast, international passenger traffic increased 0.9% at Phoenix Sky Harbor International and 4.5% at Tucson International airports. Tucson International Airport's increase can be attributed to higher capacity levels on some flights.

Page Municipal airport witnessed robust growth with an increase of 44.5% or 9,806 passengers. Similarly, Flagstaff Pulliam traffic grew 31.6% in the third quarter, equivalent to 8,704 passengers.

Airports	2007	2008	% Change
Flagstaff Pulliam	27,574	36,278	31.6%
Grand Canyon National Park	276,336	316,401	14.5%
Kingman	1,177	0	-100.0%
Page Municipal	22,020	31,826	44.5%
Phoenix-Mesa Gateway	0	50,869	100.0%
Phoenix Sky Harbor International	10,679,302	9,766,787	-8.5%
Prescott Municipal	1,656	696	-58.0%
Show Low Regional	4,443	3,797	-14.5%
Tucson International	1,043,911	964,774	-7.6%
Yuma International	29,763	34,650	16.4%
Quarterly Total	12,086,182	11,206,078	-7.3%

Source: Activity reports provided by airports

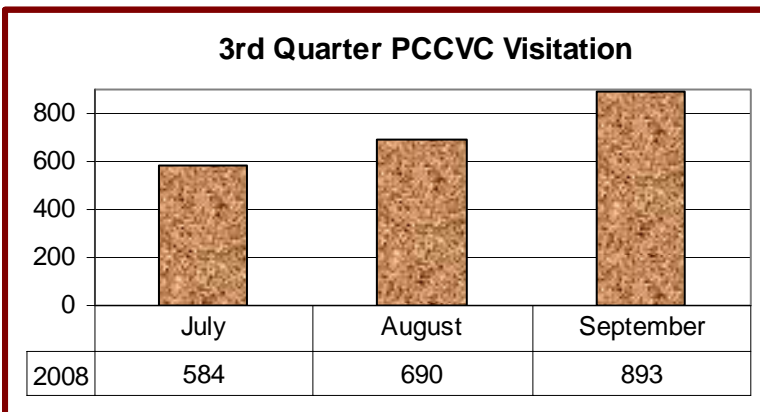


Source: Shutterstock.com



Source: Shutterstock.com

PHOENIX CONVENTION CENTER VISITOR CENTER



Source: Phoenix Convention Center Visitor Center



Phoenix Convention Center Visitor Center is located at 125 N. Second Street, Suite 120 Phoenix, AZ 85004.

Top 10 Originating States 3rd Quarter 2008		
1	Arizona	327
2	California	98
3	Virginia	40
4	Illinois	38
5	New York	30
6	Pennsylvania	28
7	Maryland	26
8	Massachusetts	23
9	Colorado	23
10	Georgia	22

The Phoenix Convention Center Visitor Center opened in January 2008, replacing the Grand Canyon State Visitor Center located at the Arizona Office of Tourism. During the third quarter of 2008, there were a total of 2,167 visitors to the Phoenix Convention Center Visitor Center. The top five originating states were Arizona, California, Virginia, Illinois, and New York, and they account for 24.6% of all visitation to the center. Visitors originating from a foreign country totaled 430, 19.8% of all visitation. Visitors to the center from Canada equaled 51 while the visitor center welcomed 59 travelers from the Germany.

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PAINTED CLIFFS WELCOME CENTER

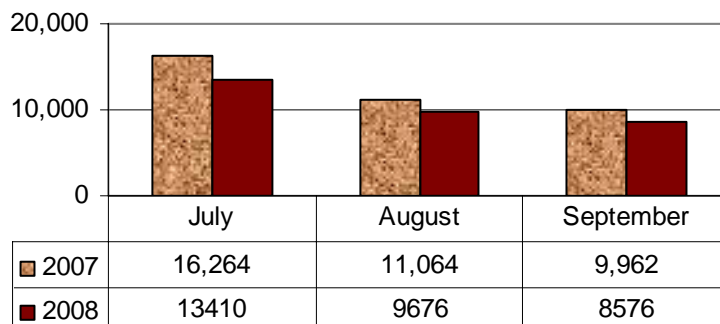


Painted Cliffs Welcome Center is located on Interstate 40, Exit #359-Grants Road in Lupton, Arizona

During the third quarter of 2008, there were a total of 34,954 visitors to the Painted Cliffs Welcome Center, a decrease of -6.3%, or 2,336 visitors, compared to the same period last year. This drop in visitation can be attributed to the decrease in visitors originating from the United States, which was down -8.3%, or 2,876 visitors, compared to the same period last year. The top five originating states were Texas, California, Arizona, New Mexico, and Oklahoma. In the third quarter, visitation from 8 of the top 10 originating states decreased when compared to Q3 2007. Together, the top 10 originating states had a decline of -19.6%, or 1,178 visitors.

Visitors originating from a foreign country increased, up 23.2% to a total of 2,944 visitors. Visitors to the welcome center from Canada increased 9.1% to 657 visitors during the 3rd quarter compared to the same period last year. There were dramatic increases in visitation for those originating from several key markets such as Germany (up 38.3% to 415), France (up 51.6% to 191), and the Netherlands (up 87.0% to 144).

3rd Quarter Painted Cliffs Visitation



Top 10 Originating States 3rd Quarter 2008

1	Texas	-6.0%
2	California	-7.9%
3	Arizona	-8.2%
4	New Mexico	-7.4%
5	Oklahoma	1.3%
6	Illinois	-9.9%
7	Missouri	-5.5%
8	Florida	-12.5%
9	Colorado	17.5%
10	Michigan	-0.1%

Quarterly visitation totals by state and by country of origin can be found at www.azot.gov.

Source: Painted Cliffs Welcome Center